

ARTICLE APPEARED
ON PAGE **A-3**

HONOLULU STAR-BULLETIN
16 September 1983

U.S. Judge Seals CIA-Related Rewald Papers

By Charles Memminger
Star-Bulletin Writer

A federal judge yesterday issued an order sealing any court documents relating to the CIA filed in connection with the bankrupt investment company Bishop, Baldwin, Rewald, Dillingham & Wong.

The order also prohibits anyone connected with the case from talking about the CIA at all.

Attorney Peter Wolff, who represents Ronald R. Rewald in his state criminal case, said he had "never heard of such an order" being issued before and said it "raises some serious First Amendment questions."

"Isn't there a right to free speech?" Wolff asked.

U.S. JUDGE Martin Pence issued the order at the request of the U.S. Attorney and attorneys for the Securities and Exchange Commission, who based their action on a secret affidavit filed by CIA attorney Robert Laprade.

The motion apparently was made to keep secret any court memorandums mentioning the CIA that are to be filed by Rewald's attorneys.

"Attorneys for Ronald Rewald and . . . Bishop, Baldwin, Rewald, Dillingham & Wong have made statements that documents they intend to file . . . will contain information pertaining to the Central Intelligence Agency," the motion states.

Rewald's civil attorney, Robert Smith, said the order did not bother him. In fact, he was planning to file court documents containing possibly classified material today and was planning to ask that the material be sealed, he said.

REWALD, WHO is in prison in lieu of \$10 million bail, had told associates he had CIA connections. A team of CIA agents from Washington, D.C., went through his company files on Pence's orders to search for any "classified" material. Six packets of material were separated.

Investigators involved in the Rewald case have conceded he might have had a minor connection

with the CIA, but said it has nothing to do with charges that Rewald stole millions of dollars of investors money.

Pence ordered that all documents filed in Rewald's case "containing matters directly related or indirectly pertaining" to the CIA be sealed.

CLERKS FROM federal court and U.S. bankruptcy court said today that they sought a clarification from Pence about his ruling so that documents can be properly processed.

The clerks initially said yesterday they would be sealing any documents coming in connection with Rewald or the bankruptcy because they did not have time to determine which documents were CIA-related and which were not.

But, after talking with Pence this morning, the clerks said they will now seal only documents filed by Rewald's attorney Smith or the CIA.

Assistant U.S. Attorney John F. Peyton, who filed the motion on behalf of U.S. Attorney Daniel Bent, who is out of town, said documents filed will be "instantaneously" reviewed by a judge to see if they can be made public. His remark came when a newspaper reporter expressed concern that access to files considered part of the public record would be hampered by the order.

PEYTON SAID the intent of the order is to go no further than Pence's previous order which sealed CIA-related documents. But after that order, one document in the possession of the bankruptcy trustee was made public anyway.

The new order attempts to protect against that. But some attorneys feel the order is so broad that it might violate a person's constitutional right to free speech, and, if followed literally, would prevent attorneys from even discussing the case among themselves.

The order states that "all parties and their attorneys and their agents who have notice of this order . . . are hereby prohibited from communicating to any person . . . information relating to matters pertaining to the CIA."